

Healthcare Sector in Morocco



Prepared by CS – Morocco



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Overview

- The Health Market in Morocco is a growing sector that is full of opportunities for future investment. The government remains the main Health care provider since 70% of the population goes to public hospitals.
- The government spends around 5% of the gross domestic product on the healthcare sector. There are five University Hospital Centers and six military hospitals that are located in the large cities such as Casablanca, Rabat, Fes, and Marrakech. In addition, there are 137 hospitals in the public sector. The private sector healthcare market is growing rapidly as there are 320 private clinics, and 9,661 specialist doctors in Morocco.
- The Healthcare System is comprised of AMO (Mandatory Health Insurance), which is divided into “La CNSS” (private) that reimburses up to 70% and “La CNOPS” (public), that reimburses up to 80%. Additionally, we can find RAMED which is a health care system based on the principle of social assistance and national solidarity in favor of low income individuals. There is also a separate health care system that is solely dedicated to the military.

Market Entry

Moroccans base business on trust and mutual respect. However, U.S. exporters should be patient; procedures take more time in Morocco, as compared to the United States.

Also, U.S. firms should closely work with a locally-based agent or distributor, so that they can provide U.S. firms with essential knowledge of key contacts, customs regulations, and specific opportunities.

U.S. firms should also fully understand the regulatory environment and procedures before penetrating the market to avoid all sort of issues. Also, Morocco's American Chamber of Commerce (Amcham) can organize collegial and informal meetings in Casablanca with other Amcham members to gain insight into the evolving market and learn how to best position product sales for the market

In addition, the U.S. Commercial Service in Morocco provides counseling to determine the best market entry strategy for any given U.S. company/product/service such as for joint venture partners, resellers, agents and distributors





Current Market Trends

The medical device market is estimated at \$230 million with \$181 million constituting imports. Medical equipment prospects are increasing for public and private sector opportunities for American firms.

The Moroccan government is planning to build 4 CHU by 2018, as well as develop emergency and mobile hospital units. The Ministry of Health requires all second-hand medical equipment to be registered within 12 months of purchase.

Used equipment is also a good opportunity for U.S. Firms, mainly for private clinics and laboratories. Importation of refurbished equipment is allowed for both public and private entities. A new law has been submitted banning the purchase of used medical devices and equipment

This law is expected to be implemented late 2015 or early 2016 since it has already been voted for. This is expected to improve the quality of medical equipment and offer a better quality of medical care to patients treated in Morocco. Refurbished equipment has a market with private entities

Competition Landscape

Currently Morocco does not manufacture medical equipment. The local production is limited to medical disposables

Europe, Germany, Spain and France along with United-States are the main suppliers.



However, there is an increasing demand on Asian products; Chinese and Korean ones thanks to their competitive prices





Current Demand

- Public hospitals represent 85% of the demand and the private clinics 15%. By 2018, the Moroccan government is planning to achieve their goal of building four Hospital University Centers which will be a huge opportunity for American companies to create partnership with Moroccan companies and export American medical equipment

- Also, Morocco is planning to develop emergency and mobile hospital units which could be a good opportunity for American firms. Disposables and specialty medical devices are good prospects for U.S. firms.

- Sub-sector best prospects include magnetic resonance imaging and ultra-sonic scanning equipment, x-ray equipment, emergency aid equipment, monitoring and electro-diagnostic equipment, computerized tomography equipment, and ICT (E-medicine, equipment and related software)

Registration Process

To proceed with the registration of medical equipment with the DMP (Department of medicine and pharmacy), provide the following elements:

Documents needed for registration:

- The CE certificate or similar
- The certificate of free sales or FDA
- The declaration of conformity
- The ISO13485
- The technical files with methods of quality test
- The original catalog

The average time to obtain a certificate of registration is six months





Market Challenges

A main challenge for English-speaking companies is that the main languages spoken in Morocco are French and Moroccan. Morocco is seen as a relatively small market for medical equipment, and Morocco's regulations have been known to hinder trade. Bribery, corruption and requests for payoffs also exist in Morocco.

In addition to these barriers, Morocco had tariffs placed on some medical equipment imports despite the Free Trade Agreement that has been in force since 2006:

2.5% tariff rate if less than 100% of the product is made in the country of importation.
10% of the custom duties are applied if imported products are then manufactured into final goods in Morocco

Best Prospects

Looking For
Prospects?



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